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MAFF Lifts Import Suspension of Pork from 4 EU

Member Countries, Including Denmark

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Report Highlights: MAFF announced, effective April 25, it will remove Japan's import suspension of pork and pork products from Denmark, Sweden, Finland and Austria. While the ban remains on the other EU countries, resumption of imports from these 4 countries, particularly Denmark, will help stabilize Japan's frozen pork raw material supply situation for processing utilization.

Based on Experts' Recommendations, MAFF Lifts Import Suspension of Pork/Pork Products from 4 EU Countries

MAFF announced, effective April 25, it will terminate the import suspension of pork and pork products from four EU member countries: *Denmark, Sweden, Finland and Austria*. Based on the reports from the inspection team which returned from the EU on April 19, MAFF's health authorities determined the risk of introducing FMD into Japan from these countries is negligible. The evaluation was made by a committee formed by animal health experts in the country (see the translate press release at the end of this report).

As a result of MAFF's announcement, pork and pork products from these countries are permitted to clear customs in Japan.

The news reportedly brought some relief to Japanese ham and sausage manufacturers, whose raw material frozen pork supplies are dependent on particularly Danish imports. Denmark alone supplied as much as 46% of Japan's total frozen pork imported in 2000. [Note: Japan relies on about 18% of its annual pork demand on EU frozen pork mostly utilized as raw material for ham, sausage and bacon products.]

Japan's Meat Industry Feeling the Pork Supply Pinch Due to the EU Ban

The announcement follows a petition to MAFF by the Japan Ham and Sausage Manufacturers Association, reportedly facing increasing tight supplies of frozen parts (mostly bellies). According to media reports, the group petitioned MAFF to lift the import suspension as early as possible. Additionally, a weak yen, coupled with rising import prices of frozen pork from some other countries, is reported to be pushing their production costs upwards. Prices among meat traders of Danish frozen belly have also been sharply rising in recent months (reaching 700 yen/kg), considerably above the normal of 450 yen per kilo this time of the year, according to the meat trade press.

Concurrently, the Japan Meat Traders Association also requested MAFF to permit moving EU frozen pork from containers at major ports to cold shortage before the start of Golden Week holidays (April 28 - May 6). According to the government source, over 4,200 MT of frozen pork, mostly from Denmark, remains at container yards since March 24. As a result, the industry fears quality deterioration due to rising temperatures. Nonetheless, delays in moving containers from the ports is thought to be unavoidable due to congestion expected at the ports before Golden Week.

Resumption of imports from Denmark will likely stabilize Japan's domestic frozen raw material market. Based on fresh shipping orders placed for Danish pork, a large volume of frozen raw material parts will likely flow from these EU countries after June to replenish depleted frozen stocks for processing utilization. Monthly ending frozen pork stocks at the end of February (latest available) are estimated at 110,000 MT (Meat Equivalent). [March meat trade statistics are to be issued in a couple of days and trade data will follow.]

Press Release (Translated by APHIS Tokyo)

April 25, 2001 Agricultural Production Bureau

Partial Cancellation of Temporary Suspension Measures for Importation of Pork, etc., from EU due to FMD Outbreak

- 1. Based on the FMD outbreak in some of the EU countries such as U.K., since March 24, MAFF has been taking temporary measures to suspend importation of pork, etc., from those EU countries which had been handled as free from FMD (Finland, Sweden, Germany, Denmark, Italy, Belgium, Austria, and Spain) until it is confirmed that safeguard measures and surveillance, etc., are conducted precisely, from the standpoint that we cannot deny the possibility of FMD being spread in all EU areas.
- 2. Recently, based on the investigation of these countries by the livestock animal health specialists, and on the opinions by representative researchers of Japan Veterinary Society, we evaluated the risk of FMD introduction from these countries into Japan. As a result, for Finland, Sweden, Denmark, and Austria, even if we cancel the import suspension measures, it was evaluated that the risk of FMD introduction into Japan is extremely small. Therefore, we decided to cancel the import suspension measures for these countries and notified relative organizations accordingly today.
- 3. In canceling the import suspension measures, since there have been continued FMD outbreaks in parts of the EU (U.K. and Netherlands), we will cancel it under the conditions that it has been at least 3 weeks since the date of slaughtering until the application for import inspection for pork, etc., from those counties at the animal quarantine office in Japan.
- 4. For other countries (Germany, Italy, Belgium, and Spain), since there is not sufficient information, etc., at present in order to make our judgement, we will continue to make them subject to import suspension measures, and will wait for them to collect the information, which we will evaluate in the future.

(Regarding the risk assessment method for introduction and the result of our assessment for cancellation of import suspension measures, six representative researchers from Japan Veterinary Society evaluated as appropriate.) -- Six University professors' names are listed in the press release. END OR REPORT